REMARKS/ARGUMENTS

Claims 1-53 were in the application. In the last office action, claims 1 and 50 were rejected under 35 U.S.C. § 112 for failing to point out and distinctly claim the subject matter which applicant regards as the invention. Claims 1-53 were also rejected on art.

Claims 1 and 50 have been amended in order to overcome the Section 112 rejections by deleted "if any" from both claims. The claims have also been amended to cover apparatus in which the nonreserved signals may be either digital or analog. The amendments have been made so as not to require a further search.

Turning now to the art, claims 1-3, 5-9, 12-24, 31-36 and 50-53 were rejected under 35 U.S.C. § 103 as obvious over Nicholson in view of Hoarty. Claim 4 was rejected under 35 U.S.C. § 103 as obvious over Nicholson and Hoarty in view of Macdonald. Claims 10, 11 and 49 were rejected under 35 U.S.C. § 103 as obvious over Nicholson and Hoarty in view of Dufresne. Claims 25-30 were rejected under 35 U.S.C. § 103 as obvious over Nicholson and Hoarty in view of Hamlin. Claims 37-48 were rejected under 35 U.S.C. § 103 as obvious over Nicholson and Hoarty in view of Saward and Diehl.

In accordance with the present invention, unlike in Nicholson, reserved and nonreserved signals are mixed, and the same mixed signal is sent to all of the units of a multi-unit residence, e.g., a condominium. The local reception apparatus for each unit is able to receive from the mixed signals both the reserved signals to

which the unit is entitled and the nonreserved signals which are available to all units.

As earlier explained, Nicholson uses the much more cumbersome and expensive approach of customizing the signals sent to each unit depending on the channel selected by the unit occupant and/or the nature of the occupant's subscription. That is, each time that the Nicholson's user selects a channel, and depending on the terms of his or her subscription to the television programming, a signal only containing content to which the user is entitled is transmitted from the head end to the user's unit. In order for Nicholson's system to work, the user must communicate his or her choice of programming to the head end each time a program selection is made, i.e., by tuning to a particular channel. In other words, Nicholson discloses a system wherein each user has a reserved band. Each time the user wants to change a TV channel, he has to interrogate the RSPC which tunes to the new channel, and shift the received TV signal into the user's reserved band. No such communication with the head end is required with Applicant's invention.

The Examiner has now cited Hoarty as providing to subscribers a combined signal containing reserved and nonreserved signals. The Examiner has contended that Hoarty's interactive channels, also referred to as "virtual channels" are reserved signals and Hoarty's conventional channels are nonreserved signals. Nowhere in Hoarty is there any indication that the interactive channels are reserved

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signals. "Interactive" merely refers to a 2-way communication between the subscriber and the headend. Interactive signals may be reserved or nonreserved.

In a condominium, not all of the users are interested in receiving new digital signals. A reserved signal is, thus, a signal reserved to those users who have decided to pay for improving the receiving system of the condominium (e.g. by installing a dish and improving the headend of the distribution system) in order to receive new signals.

Although Hoarty mixes different signals, i.e., "interactive" and "non interactive", on the same cable, there is no disclosure as to whether either of the signals is reserved or not reserved to different users. In Hoarty, if a subscriber buys a new interactive receiver 76c having sufficient multimedia capability, he can see all of the signals, but this capability does not depend upon a feature of the condominium distribution system wherein, as in the case of Applicant's invention, personal channels are associated with respective sockets. Hoarty simply does not disclose the transmission of reserved and non reserved signals.

If it were possible to combine the teachings of Hoarty with those of Nicholson, the result would be a system wherein a "special" data stream comprising interactive and non interactive TV signals would be transmitted to a condominium, as taught by Hoarty, and then distributed to the users through an RSPC transmitting signals only in reserved frequency bands as taught by Nicholson.

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Neither Nicholson nor Hoarty, nor any other prior art reference, whether considered individually or in combination, teaches or even hints at the mixing of reserved and nonreserved signals on a distribution network in a condominium or community environment.

Moreover, contrary to the instant invention, Nicholson teaches that there's an urgent need of complete privacy (col. 1, lines 11-14) and for this reason each user has a reserved frequency band for exchanging information. Even if Nicholson were to provide a combined signal having a first portion with reserved signals and a second portion with nonreserved signals, Nicholson would still reserve a band to each user in order to provide complete privacy and would not allow a common band on which nonreserved signals could be distributed.

Claims 1 and 50 distinguish from Nicholson and Hoarty in reciting

means for converting the frequencies of one or more of the received reserved digital signals into reserved personal channels, each of said personal channels being reserved to a corresponding one of said predetermined signal sockets, and forbidden to the remaining sockets,

The nonreserved information signals are mixed with the reserved signals and distributed on the same network, but only the reserved signals are in personal channels. This important difference clearly distinguishes the claimed invention from the combined teachings of Nicholson and Hoarty.

In view of the foregoing, reconsideration of the final rejection is respectfully requested, as the application is believed to be in condition for allowance over the newly cited art.

Respectfully Submitted,

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HFM: cnt